NORTH CENTRAL REGIONAL TRANSIT DISTRICT

REQUEST FOR PROPOSALS (RFP)

Financial Audit Services

RFP#2016-002

January 11, 2016

Due back February 12, 2016 at 3:00pm

I. INTRODUCTION **1**

A. PURPOSE OF THIS REQUEST FOR PROPOSALS *1*
B. BACKGROUND INFORMATION *1*
C. SCOPE OF PROCUREMENT *1*
D. PURCHASING AGENT *2*
E. DEFINITION OF TERMINOLOGY *2*

II. CONDITIONS GOVERNING THE PROCUREMENT **6**

A. SEQUENCE OF EVENTS 6
B. EXPLANATION OF EVENTS 6
1. Issuance of RFP *6*
2. Pre-Proposal Conference *6*
3. Deadline to Submit Written Questions *7*
4. Response to Written Questions *7*
5. Submission of Proposal *7*
6. Proposal Evaluation *7*
7. Selection of Finalists *8*
8. Best and Final Offers *8*
9. Oral Presentations *8*
10. Finalize Contractual Agreements *8*
11. Contract Awards *8*
12. Protest Deadline *8*
C. GENERAL REQUIREMENTS 9
1. Acceptance of Conditions Governing the Procurement *9*
2. Incurring Cost *9*
3. Prime Contractor Responsibility *9*
4. Subcontractors/Consent *9*
5. Amended Proposals *9*
6. Offeror's Rights to Withdraw Proposal *10*
7. Proposal Offer Firm *10*
8. Disclosure of Proposal Contents *10*
9. No Obligation *10*
10. Termination *11*
11. Sufficient Appropriation *11*
12. Legal Review *11*
13. Governing Law *11*
14. Basis for Proposal *11*
15. Contract Terms and Conditions *11*
16. Offeror's Terms and Conditions *12*
17. Contract Deviations *12*
18. Offeror Qualifications *12*
19. Right to Waive Minor Irregularities *12*
20. Change in Contractor Representatives *13*
21. Notice of Penalties *13*
22. Agency Rights *13*
23. Right to Publish *13*
24. Ownership of Proposals *13*
25. Confidentiality *13*
26. Electronic mail address required *13*
27. Use of Electronic Versions of this RFP *14*
28. New Mexico Employees Health Coverage *14*
29. Campaign Contribution Disclosure Form *14*

30. Letter of Transmittal *15*
31. Disclosure Regarding Responsibility *15*

III. RESPONSE FORMAT AND ORGANIZATION **18**

A. NUMBER OF RESPONSES 18
B. NUMBER OF COPIES 18
1. Hard Copy Responses *18*
C. PROPOSAL FORMAT 18
1. Proposal Content and Organization *19*

IV. SPECIFICATIONS **20**

A. DETAILED SCOPE OF WORK 20
B. TECHNICAL SPECIFICATIONS 20
1. Organizational Experience *20*
2. Organizational References *21*
3. Oral Presentation *21*
C. BUSINESS SPECIFICATIONS 22
1. Financial Stability *22*
2. Letter of Transmittal Form *22*
3. Campaign Contribution Disclosure Form *22*
4. Cost *22*
A. EVALUATION POINT SUMMARY 23
B. EVALUATION FACTORS 23
1. B.1 Organizational Experience (See Table 1) *23*
2. B.2 Organizational References (See Table 1) *23*
3. C.1 Financial Stability (See Table 1) *23*
4. C.2 Letter of Transmittal (See Table 1) *23*
5. C.3 Campaign Contribution Disclosure Form (See Table 1) *23*
6. C.5 Cost (See Table 1) *24*
C. EVALUATION PROCESS 24

APPENDIX A **25**

CAMPAIGN CONTRIBUTION DISCLOSURE FORM **25**

APPENDIX B **29**

INDEPENDENT PUBLIC AUDITOR RECOMMENDATION FORM FOR AUDITS **30**

APPENDIX C **40**

COST RESPONSE FORM **40**

APPENDIX D **41**

LETTER OF TRANSMITTAL FORM **41**

APPENDIX E **43**

ORGANIZATIONAL REFERENCE QUESTIONNAIRE **43**

I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The purpose of the Request for Proposal (RFP) is to solicit sealed proposals to establish a contract through competitive negotiations for the procurement of annual financial and compliance audit services for fiscal years ending 2016, 2017, and 2018 for North Central Regional Transit District (NCRTD or "the District").

B. BACKGROUND INFORMATION

This audit is to be performed in accordance with Generally Accepted Auditing Standards (GAAS), the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Federal Single Audit Act, Amendments of 1996, GASB 34/35, and Applicable Federal OMB Circulars. Audits must comply with the New Mexico State Auditor's Rule 2 NMAC 2.2, Regulations Governing the Audits of Agencies of the State of New Mexico and the terms and conditions of the State Auditor's contractual agreement (attached as Appendix B). The agency financial statements consist of all funds over which the NCRTD has authority. The District manages one enterprise major fund with multiple revenue sources. One of the District's major financial roles is to manage federal pass-through grants, according to statutory and regulatory criteria. This "flow-through" money constitutes a significant portion of the resources reported. Interested Offerors who wish to review prior year's audit reports and management letters should refer to the NM Office of the State Auditor "Audit Search" www.saonm.org/audit_reports.

PLEASE NOTE: The District wishes to have audit work commence immediately after the contract is signed. It is the District's intent to make a selection shortly after the opening of bids (see RFP Timeline, Section II) and submit its selection to the New Mexico State Auditor for approval immediately after selection. It is therefore anticipated that audit work may commence on or about October 3, 2015, at which point the District fully intends to have representative populations available for tests of control with respect to disbursements, payroll and receipts. The District also intends to have the Schedule of Expenditures of Federal Awards prepared during that same time period. Fully adjusted trial balances and other reports will be available within 75 days after the year-end.

C. SCOPE OF PROCUREMENT

The District desires the auditor to perform the Scope of Work specified in the standard "State of New Mexico Audit Contract," a copy of which appears as Appendix B to this request for proposals. Please see Section I.B. for an overview of the scope of the District's accounting structure and funding. The District will prepare the fully adjusted working trial balances, but desires the audit firm selected to prepare the financial statements, notes, single audit section and all supporting details. After the statements and notes have been substantially finalized, the District will prepare the Management Discussion and Analysis for submittal to the Office of the State Auditor by the December 1st deadline. The District has taken on the additional task of preparing a

Comprehensive Annual Financial Report (CAFR), so the Letter of Transmittal, Statistical Tables, and Final Presentation will be updated by the District. The selected audit firm shall be required to comply with all Government Finance Officer Association recommendation for all future District CAFR presentations.

D. PURCHASING AGENT

1. The District has assigned a Purchasing Agent who is responsible for the conduct of this procurement whose name, address, telephone number and e-mail address are listed below:

   Name: Troy Bingham, Finance Director
   Address: 1327 N. Riverside Drive
   Española, NM 87532

   Telephone: (505)629-4701
   Fax: (505)747-6647
   Email: troyb@ncrtd.org

2. All deliveries of responses via express carrier must be addressed as follows:

   Name: Purchasing Agent
   Reference RFP Name: Audit Services RFP#2016-002
   Address: 1327 N. Riverside Drive
   Española, NM 87532

3. **Any inquiries or requests** regarding this procurement should be submitted, in writing, to the Purchasing Agent. Offerors may contact ONLY the Purchasing Agent regarding this procurement. Other Evaluation Committee members do not have the authority to respond on behalf of the District. **Protests of the solicitation or award must be delivered by mail to the Purchasing Agent.** Emailed protests will not be considered as properly submitted.

E. DEFINITION OF TERMINOLOGY

This section contains definitions of terms used throughout this procurement document, including appropriate abbreviations:

"**Authorized Purchaser**" means an individual authorized by a Participating Entity to place orders against this contract.

"**Award**" means the final execution of the contract document.

"**Business Hours**" means 8:00 AM thru 5:00 PM Mountain Standard or Mountain Daylight Time, whichever is in effect on the date given.

"**Close of Business**" means 5:00 PM Mountain Standard or Daylight Time, whichever is in use at that time.

“**Confidential**” means confidential financial information concerning offeror’s organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act NMSA 1978 57-3-A-1 to 57-3A-7. See NMAC 1.4.1.45. As one example, no information that could be obtained from a source outside this request for proposals can be considered confidential information.

“**Contract**" means any agreement for the procurement of items of tangible personal property, services or construction.

“**Contractor**" means any business having a contract with a state agency or local public body.

“**Determination**" means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.

“**Desirable**" the terms "may", "can", "should", "preferably", or "prefers" identify a desirable or discretionary item or factor.

“**Electronic Version/Copy**” means a digital form consisting of text, images or both readable on computers or other electronic devices that includes all content that the Original and Hard Copy proposals contain. The digital form may be submitted using a compact disc (cd) or USB flash drive. The electronic version/copy can NOT be emailed.

“**Evaluation Committee**" means a body appointed to perform the evaluation of Offerors’ proposals.

“**Evaluation Committee Report**" means a report prepared by the Purchasing Agent and the Evaluation Committee for contract award. It will contain written determinations resulting from the procurement.

“**Finalist**” means an Offeror who meets all the mandatory specifications of this Request for Proposals and whose score on evaluation factors is sufficiently high to merit further consideration by the Evaluation Committee.

“**Hourly Rate**” means the proposed fully loaded maximum hourly rates that include travel, per diem, fringe benefits and any overhead costs for contractor personnel, as well as subcontractor personnel if appropriate.

“**IT**” means Information Technology.

“**Mandatory**" – the terms "must", "shall", "will", "is required", or "are required", identify a mandatory item or factor. Failure to meet a mandatory item or factor will result in the rejection of the Offeror’s proposal.

“**Minor Technical Irregularities**” means anything in the proposal that does not affect the price quality and quantity or any other mandatory requirement.

"**Offeror**" is any person, corporation, or partnership who chooses to submit a proposal.

"**OSA**" the Office of the State Auditor

"**Price Agreement**" means a definite quantity contract or indefinite quantity contract which requires the contractor to furnish items of tangible personal property, services or construction to a state agency or a local public body which issues a purchase order, if the purchase order is within the quantity limitations of the contract, if any.

"**Purchasing Agent**" means any person or designee authorized by a state agency or local public body to enter into or administer contracts and make written determinations with respect thereto.

"**Project**" means a temporary process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved and project acceptance is given by the project executive sponsor.

"**Redacted**" means a version/copy of the proposal with the information considered confidential as defined by NMAC 1.4.1.45 and defined herein and outlined in Section II.C.8 of this RFP blacked out BUT NOT omitted or removed.

"**Request for Proposals (RFP)**" means all documents, including those attached or incorporated by reference, used for soliciting proposals.

"**Responsible Offeror**" means an Offeror who submits a responsive proposal and who has furnished, when required, information and data to prove that his financial resources, production or service facilities, personnel, service reputation and experience are adequate to make satisfactory delivery of the services, or items of tangible personal property described in the proposal.

"**Responsive Offer**" or means an offer which conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to price, quality, quantity or delivery requirements.

"**Sealed**" means, in terms of a non-electronic submission, that the proposal is enclosed in a package which is completely fastened in such a way that nothing can be added or removed. Open packages submitted will not be accepted except for packages that may have been damaged by the delivery service itself. The District reserves the right, however, to accept or reject packages where there may have been damage done by the delivery service itself. Whether a package has been damaged by the delivery service or left unfastened and should or should not be accepted is a determination to be made by the Purchasing Agent. By submitting a proposal, the Offeror agrees to and concurs with this process and accepts the determination of the Purchasing Agent in such cases.

"**Staff**" means any individual who is a full-time, part-time, or an independently contracted employee with the Offerors' company.

"**State (the State)**" means the State of New Mexico.

"**Statement of Concurrence"** means an affirmative statement from the Offeror to the required specification agreeing to comply and concur with the stated requirement(s). This statement shall be included in Offerors proposal. (E.g. "We concur", "Understands and Complies", "Comply", "Will Comply if Applicable" etc.)

"**Unredacted**" means a version/copy of the proposal containing all complete information including any that the Offeror would otherwise consider confidential, such copy for use only for the purposes of evaluation.

"**Written**" means typewritten on standard 8 ½ x 11 inch paper. Larger paper is permissible for charts, spreadsheets, etc.

II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the schedule, description and conditions governing the procurement.

A. SEQUENCE OF EVENTS

The Purchasing Agent will make every effort to adhere to the following schedule:

Action	**Responsible Party**	**Due Dates Sample Time Frames**
1. Issue RFP	NCRTD	January 11, 2016
2. Pre-Proposal Conference	NCRTD	January 21, 2016
3. Deadline to submit Questions	Potential Offerors	February 5, 2016
4. Response to Written Questions	Purchasing Agent	February 8, 2016
5. Submission of Proposal	***Potential Offerors***	***February 12, 2016***
6. Proposal Evaluation	Evaluation Committee	February 15-19, 2016
7. Selection of Finalists	Evaluation Committee	February 29, 2016
8. Best and Final Offers	Finalist Offerors	March 4, 2016
9. Oral Presentation(s) (if needed)	Finalist Offerors	March 7-11, 2016
10. Finalize Contractual Agreements	NCRTD/Finalist Offerors	March 14-25, 2016
11. Contract Awards	NCRTD/ Finalist Offerors	April 8, 2016
12. Protest Deadline	NCRTD	April 25, 2016

B. EXPLANATION OF EVENTS

The following paragraphs describe the activities listed in the sequence of events shown in Section II. A., above.

1. Issuance of RFP

This RFP is being issued on behalf of NCRTD on January 11, 2016.

2. Pre-Proposal Conference

A non-mandatory pre-proposal conference will be held on January 21, 2016 at 9:00am Mountain Standard Time/Daylight Time at 1327 N. Riverside Drive, Española, NM 87532. Potential Offeror(s) are encouraged to submit written questions in advance of the conference to the Purchasing Agent (see Section I, Paragraph D). The identity of the organization submitting the question(s) will not be revealed. Additional written questions may be

submitted at the conference. All written questions will be addressed in writing on the date listed in the Sequence of Events. Attendance at the pre-proposal conference is but not a prerequisite for submission of a proposal.

3. Deadline to Submit Written Questions

Potential Offerors may submit written questions to the Purchasing Agent as to the intent or clarity of this RFP until close of business the day indicated in the sequence of events. All written questions must be addressed to the Purchasing Agent as declared in Section I, Paragraph D. Questions shall be clearly labeled and shall cite the Section(s) in the RFP or other document which form the basis of the question.

4. Response to Written Questions

Written responses to written questions (if deemed necessary by the Purchasing Agent) will be post on the District's website located at www.ncrtd.org/requests.aspx.

5. Submission of Proposal

ALL OFFEROR PROPOSALS MUST BE RECEIVED FOR REVIEW AND EVALUATION BY THE PURCHASING AGENT OR DESIGNEE NO LATER THAN 3:00 PM MOUNTAIN STANDARD TIME/DAYLIGHT TIME ON FEBRUARY 12, 2016. Proposals received after this deadline will not be accepted. The date and time of receipt will be recorded on each proposal.

Proposals must be addressed and delivered to the Purchasing Agent at the address listed in Section I, Paragraph D2. Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to the Audit Services RFP#2016-002. Proposals submitted by facsimile, or other electronic means, will not be accepted.

A public log will be kept of the names of all Offeror organizations that submitted proposals. Pursuant to NMSA 1978, § 13-1-116, the contents of proposals shall not be disclosed to competing potential Offerors during the negotiation process. The negotiation process is deemed to be in effect until the contract is awarded pursuant to this Request for Proposals. Awarded in this context means the final required signature on the contracts resulting from the procurement has been obtained.

6. Proposal Evaluation

An Evaluation Committee will perform the evaluation of proposals. This process will take place as indicated in the sequence of events, depending upon the number of proposals received. During this time, the Purchasing Agent may initiate discussions with Offerors who submit responsive or potentially responsive proposals for the purpose of clarifying aspects of the proposals. However, proposals may be accepted and evaluated without such discussion. Discussions SHALL NOT be initiated by the Offerors.

7. Selection of Finalists

The Evaluation Committee will select and the Purchasing Agent will notify the finalist Offerors as per schedule Section II. A., Sequence of Events or as soon as possible. A schedule for the oral presentation and demonstration will be determined at this time.

8. Best and Final Offers

Finalist Offerors may be asked to submit revisions to their proposals for the purpose of obtaining best and final offers by as per schedule Section II. A., Sequence of Events or as soon as possible. Best and final offers may also be clarified and amended at finalist Offeror's oral presentation and demonstration.

9. Oral Presentations

Finalist Offerors may be required to conduct an oral presentation at a location to be determined as per schedule Section II. A., Sequence of Events or as soon as possible. Whether or not oral presentations will be held is at the discretion of the Evaluation Committee.

10. Finalize Contractual Agreements

Any Contractual agreement(s) resulting from this RFP will be finalized with the most advantageous Offeror(s) as per schedule Section II. A., Sequence of Events or as soon thereafter as possible. This date is subject to change at the discretion of the Purchasing Agent. In the event mutually agreeable terms cannot be reached with the apparent most advantageous Offeror in the time specified, the District reserves the right to finalize a contractual agreement with the next most advantageous Offeror(s) without undertaking a new procurement process.

11. Contract Awards

After review of the Evaluation Committee Report and the signed contractual agreement, the Purchasing Agent will award as per the schedule in Section II. A., Sequence of Events or as soon as possible thereafter. This date is subject to change at the discretion of the Purchasing Agent.

The contract shall be awarded to the Offeror (or Offerors) whose proposals are most advantageous to NCRTD, taking into consideration the evaluation factors set forth in this RFP. The most advantageous proposal may or may not have received the most points.

12. Protest Deadline

Any protest by an Offeror must be timely and in conformance with NMSA 1978, § 13-1-172 and applicable procurement regulations. ONLY protests delivered directly to the Purchasing Agent in writing and in a timely fashion will be considered to have been

submitted properly and in accordance with statute, rule and this Request for Proposals. The 15 calendar day protest period shall begin on the day following the award of contracts and will end at 5:00 pm Mountain Standard Time/Daylight Time on the April 25, 2016. Protests must be written and must include the name and address of the protestor and the request for proposal number. It must also contain a statement of the grounds for protest including appropriate supporting exhibits and it must specify the ruling requested from the party listed below. The protest must be delivered to Purchasing Agent. Protests received after the deadline will not be accepted.

C. GENERAL REQUIREMENTS

1. Acceptance of Conditions Governing the Procurement

Potential Offerors must indicate their acceptance of the Conditions Governing the Procurement section in the letter of transmittal. Submission of a proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP.

2. Incurring Cost

Any cost incurred by the potential Offeror in preparation, transmittal, and/or presentation of any proposal or material submitted in response to this RFP shall be borne solely by the Offeror. Any cost incurred by the Offeror for set up and demonstration of the proposed equipment and/or system shall be borne solely by the Offeror.

3. Prime Contractor Responsibility

Any contractual agreement that may result from this RFP shall specify that the prime contractor is solely responsible for fulfillment of all requirements of the contractual agreement with a state agency which may derive from this RFP. The District will enter into a contractual agreement with a vendor will make payments to only the prime contractor.

4. Subcontractors/Consent

The use of subcontractors is allowed. The prime contractor shall be wholly responsible for the entire performance of the contractual agreement whether or not subcontractors are used. Additionally, the prime contractor must receive approval, in writing, from the agency awarding any resultant contract, before any subcontractor is used during the term of this agreement.

5. Amended Proposals

An Offeror may submit an amended proposal before the deadline for receipt of proposals. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. The District personnel will not merge, collate, or assemble proposal materials.

6. Offeror's Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Offeror must submit a written withdrawal request addressed to the Purchasing Agent and signed by the Offeror's duly authorized representative.

The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations.

7. Proposal Offer Firm

Responses to this RFP, including proposal prices for services, will be considered firm for one hundred twenty (120) days after the due date for receipt of proposals or ninety (90) days after the due date for the receipt of a best and final offer, if the Offeror is invited or required to submit one.

8. Disclosure of Proposal Contents

A. Proposals will be kept confidential until negotiations and the award are completed by the Agency. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for material that is clearly marked proprietary or confidential. The Purchasing Agent will not disclose or make public any pages of a proposal on which the potential Offeror has stamped or imprinted "proprietary" or "confidential" subject to the following requirements:
B. Proprietary or confidential data shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.
C. Confidential data is restricted to:
    1. confidential financial information concerning the Offeror's organization;
    2. and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, NMSA 1978 § 57-3A-1 to 57-3A-7.
    3. PLEASE NOTE: The price of products offered or the cost of services proposed **shall not be designated** as proprietary or confidential information.

If a request is received for disclosure of data for which an Offeror has made a written request for confidentiality, the Purchasing Agent shall examine the Offeror's request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection subject to any continuing prohibition on the disclosure of confidential data.

9. No Obligation

This RFP in no manner obligates NCRTD to the use of any Offeror's services until a valid written contract is awarded and approved by appropriate authorities.

10. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the agency determines such action to be in the best interest of NCRTD.

11. Sufficient Appropriation

Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Such terminations will be effected by sending written notice to the contractor. The District's decision as to whether sufficient appropriations and authorizations are available will be accepted by the contractor as final.

12. Legal Review

The District requires that all Offerors agree to be bound by the General Requirements contained in this RFP. Any Offeror's concerns must be promptly submitted in writing to the attention of the Purchasing Agent.

13. Governing Law

This RFP and any agreement with an Offeror which may result from this procurement shall be governed by the laws of the State of New Mexico.

14. Basis for Proposal

Only information supplied, in writing, by the District through the Purchasing Agent or in this RFP should be used as the basis for the preparation of Offeror proposals.

15. Contract Terms and Conditions

The contract between the District and a contractor will follow the format specified by the District and contain the terms and conditions set forth in the Sample Contract Appendix C. However, the contracting agency reserves the right to negotiate provisions in addition to those contained in this RFP (Sample Contract) with any Offeror. The contents of this RFP, as revised and/or supplemented, and the successful Offeror's proposal will be incorporated into and become part of any resultant contract.

The District discourages exceptions from the contract terms and conditions as set forth in the RFP Sample Contract. Such exceptions may cause a proposal to be rejected as nonresponsive when, in the sole judgment of the District (and its evaluation team), the proposal appears to be conditioned on the exception, or correction of what is deemed to be a deficiency, or an unacceptable exception is proposed which would require a substantial proposal rewrite to correct.

Should an Offeror object to any of the terms and conditions as set forth in the RFP Sample Contract (APPENDIX B) strongly enough to propose alternate terms and conditions in spite of the above, the Offeror must propose **specific** alternative language. The District may or may not accept the alternative language. General references to the Offeror's terms and conditions or attempts at complete substitutions of the Sample Contract are not acceptable to the District and will result in disqualification of the Offeror's proposal.

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

If an Offeror fails to propose any alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror), no proposed alternate terms and conditions will be considered later during the negotiation process. Failure to propose alternate terms and conditions during the procurement process (the RFP process prior to selection as successful Offeror) is an **explicit agreement** by the Offeror that the contractual terms and conditions contained herein are **accepted** by the Offeror.

16. Offeror's Terms and Conditions

Offerors must submit with the proposal a complete set of any additional terms and conditions they expect to have included in a contract negotiated with the District. Please see Section II.C.15 for requirements.

17. Contract Deviations

Any additional terms and conditions, which may be the subject of negotiation (such terms and conditions having been proposed during the procurement process, that is, the RFP process prior to selection as successful Offeror), will be discussed only between the District and the Offeror selected and shall not be deemed an opportunity to amend the Offeror's proposal.

18. Offeror Qualifications

The Evaluation Committee may make such investigations as necessary to determine the ability of the potential Offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any potential Offeror who is not a Responsible Offeror or fails to submit a responsive offer as defined in District Procurement Rules and Regulations.

19. Right to Waive Minor Irregularities

The Evaluation Committee reserves the right to waive minor irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements provided that all of the otherwise responsive proposals failed to meet the same mandatory requirements and the failure to do so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

20. Change in Contractor Representatives

The District reserves the right to require a change in contractor representatives if the assigned representative(s) is (are) not, in the opinion of the District, adequately meeting the needs of the District.

21. Notice of Penalties

The Procurement Code, NMSA 1978, § 13-1-28 through 13-1-199, imposes civil, misdemeanor and felony criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

22. Agency Rights

The District in agreement with the Evaluation Committee reserves the right to accept all or a portion of a potential Offeror's proposal.

23. Right to Publish

Throughout the duration of this procurement process and contract term, Offerors and contractors must secure from the agency written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement and/or agency contracts deriving from this procurement. Failure to adhere to this requirement may result in disqualification of the Offeror's proposal or removal from the contract.

24. Ownership of Proposals

All documents submitted in response to the RFP shall become property of NCRTD.

25. Confidentiality

Any confidential information provided to, or developed by, the contractor in the performance of the contract resulting from this RFP shall be kept confidential and shall not be made available to any individual or organization by the contractor without the prior written approval of the Agency.

The Contractor(s) agrees to protect the confidentiality of all confidential information and not to publish or disclose such information to any third party without the procuring District's written permission.

26. Electronic mail address required

A large part of the communication regarding this procurement will be conducted by electronic mail (e-mail). Offeror must have a valid e-mail address to receive this correspondence. (See also Section II.B.4, Response to Written Questions).

27. Use of Electronic Versions of this RFP

This RFP is being made available by electronic means. In the event of conflict between a version of the RFP in the Offeror's possession and the version maintained by the District's website, the Offeror acknowledges that the version maintained by the District's website shall govern.

28. New Mexico Employees Health Coverage

A. If the Offeror has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Offeror must agree to have in place, and agree to maintain for the term of the contract, health insurance for those employees if the expected annual value in the aggregate of any and all contracts between Contractor and the District exceed $250,000 dollars.

B. Offeror must agree to maintain a record of the number of employees who have (a) accepted health insurance; (b) decline health insurance due to other health insurance coverage already in place; or (c) decline health insurance for other reasons. These records are subject to review and audit by a representative of the District.

C. Offeror must agree to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information http://www.insurenewmexico.state.nm.us/.

D. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); these requirements shall apply the first day of the second month after the Offeror reports combined sales from District of $250,000.

29. Campaign Contribution Disclosure Form

Offeror must complete, sign, and return the Campaign Contribution Disclosure Form, APPENDIX B, as a part of their proposal. This requirement applies regardless whether a covered contribution was made or not made for the positions of Governor and Lieutenant Governor or other identified official. Failure to complete and return the signed unaltered form will result in disqualification.

30. Letter of Transmittal

Offeror's proposal must be accompanied by the Letter of Transmittal Form located in APPENDIX E which must be completed and signed by an individual person authorized to obligate the company. The letter of transmittal MUST:

1. Identify the submitting business entity.
2. Identify the name, title, telephone, and e-mail address of the person authorized by the Offeror organization to contractually obligate the business entity providing the Offer.
3. Identify the name, title, telephone, and e-mail address of the person authorized to negotiate the contract on behalf of the organization (if different than (2) above).
4. Identify the names, titles, telephone, and e-mail addresses of persons to be contacted for clarification/questions regarding proposal content.
5. Identify sub-contractors (if any) anticipated to be utilized in the performance of any resultant contract award.
6. Describe the relationship with any other entity which will be used in the performance of this awarded contract.
7. Identify the following with a check mark and signature where required:
   a. **Explicitly** indicate acceptance of the Conditions Governing the Procurement stated in Section II. C.1;
   b. **Explicitly** indicate acceptance of Section V of this RFP; and
   c. Acknowledge receipt of any and all amendments to this RFP.
8. Be signed by the person identified in #2 above.

31. Disclosure Regarding Responsibility

A. Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars ($60,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company:

   1. is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body;

   2. has within a three-year period preceding this offer, been convicted in a criminal matter or had a civil judgment rendered against them for:
      a. the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract;
      b. violation of Federal or state antitrust statutes related to the submission of offers; or
      c. the commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property;

3. is presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with the commission of any of the offenses enumerated in paragraph A of this disclosure;

4. has, preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds $3,000.00 of which the liability remains unsatisfied. Taxes are considered delinquent if the following criteria apply.
   a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
   b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
   c. Have within a three year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.)

B. Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.

C. The Contractor shall provide immediate written notice to the Purchasing Agent or other party to this Agreement if, at any time during the term of this Agreement, the Contractor learns that the Contractor's disclosure was at any time erroneous or became erroneous by reason of changed circumstances.

D. A disclosure that any of the items in this requirement exist will not necessarily result in termination of this Agreement. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Agreement. Failure of the Contractor to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.

E. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of a Contractor is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.

F. The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts during the term of this Agreement. If during the performance of the contract, the Contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the Contractor must provide immediate written notice to the Procuremnt

Manager or other party to this Agreement. If it is later determined that the Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the Purchasing Agent may terminate the involved contract for cause. Still further the Purchasing Agent may suspend or debar the Contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the Purchasing Agent.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

Offerors shall submit only one proposal in response to this RFP.

B. NUMBER OF COPIES

1. Hard Copy Responses

Offeror's proposal must be clearly labeled and numbered and indexed as outlined in **Section III.C. Proposal Format**. Proposals must be submitted as outlined below. The original copy shall be clearly marked as such on the front of the binder. Each portion of the proposal (technical/cost) must be submitted in separate binders and must be prominently displayed on the front cover. Envelopes, packages or boxes containing the original and the copies must be clearly labeled and submitted in a sealed envelope, package, or box bearing the following information:

Offerors should deliver:

1. **Technical Proposals** – One (1) ORIGINAL, five (5) HARD COPIES of the proposal containing ONLY the Technical Proposal; ORIGINAL and COPY shall be in separate labeled binders.

    - Proposals containing confidential information **must** be submitted as two separate binders:
        - **Unredacted** version for evaluation purposes
        - **Redacted** version (information blacked out and not omitted or removed) for the public file

2. **Cost Proposals** – One (1) ORIGINAL, one (1) HARD COPY of the proposal containing ONLY the Cost Proposal; ORIGINAL and COPY of Cost Proposal shall be in separate labeled binders from the Technical Proposals.

3. The original and hard copy information **must** be identical. In the event of a conflict between versions of the submitted proposal, the Original hard copy shall govern.

Any proposal that does not adhere to the requirements of this Section and **Section III.C.1 Proposal Content and Organization**, may be deemed non-responsive and rejected on that basis.

C. PROPOSAL FORMAT

All proposals must be submitted as follows:

Hard copies must be typewritten on standard 8 ½ x 11 inch paper (larger paper is permissible for charts, spreadsheets, etc.) and placed within binders with tabs delineating each section.

Organization of folders/envelopes for hard copy proposals:

1. Proposal Content and Organization

Technical Proposal (Binder 1):

A. Signed Letter of Transmittal
B. Table of Contents
C. Proposal Summary (Optional)
D. Response to Contract Terms and Conditions
E. Offeror's Additional Terms and Conditions
F. Response to Specifications **(except cost information which shall be included in Cost Proposal/Binder 2 only)**
    1. Organizational Experience
    2. Organizational References
    3. Financial Stability - Financial information considered confidential should be placed in the **Confidential Information** binder.
    4. Signed Campaign Contribution Form
G. Other Supporting Material (If applicable)

Cost Proposal (Binder 2)**:**

1. Completed Cost Response Form

Within each section of the proposal, Offerors should address the items in the order indicated above. All forms provided in this RFP must be thoroughly completed and included in the appropriate section of the proposal. All discussion of proposed costs, rates or expenses must occur only in Binder #2 on the cost response form.

The proposal summary may be included by potential Offerors to provide the Evaluation Committee with an overview of the proposal; however, this material will not be used in the evaluation process unless specifically referenced from other portions of the Offeror's proposal.

IV. SPECIFICATIONS

Offerors should respond in the form of a thorough narrative to each specification, unless otherwise instructed. The narratives, including required supporting materials will be evaluated and awarded points accordingly.

A. DETAILED SCOPE OF WORK

The District will prepare the fully adjusted working trial balances and Schedule of Federal Awards (SEFA) 75 days after the fiscal year end.

The audit firm selected will prepare the financial statements, notes, single audit section and all supporting details by the 10th working day of November of every fiscal year end. The auditor will present the findings and management report to the Finance Committee of the District that meets typically the 3rd Friday in November

After the 10th working day in November, the District will prepare the Management Discussion and Analysis based on the financials for inclusion in the submittal to the Office of the State Auditor by the December 1st deadline.

During the month of December, the District will prepare and submit the Comprehensive Annual Financial Report (CAFR), including the Letter of Transmittal, Statistical Tables, and possibly redo the final presentation of the financials to conform to the CAFR requirements.

The selected audit firm shall be required to comply with all Government Finance Officer Association recommendation for all future District CAFR presentations and present the finalized CAFR at the January/February full Board meeting after the OSA has released the document to the public.

B. TECHNICAL SPECIFICATIONS

1. Organizational Experience

Offerors **must**:

a) provide a description of relevant corporate experience with state government and private sector. The experience of all proposed subcontractors must be described. The narrative **must** thoroughly describe how the Offeror has supplied expertise for similar contracts and must include the extent of their experience, expertise and knowledge as a provider of financial audit and compliance services. All financial audit and compliance services provided to private sector will also be considered;

b) indicate how many public and private sector audits have been performed in the last two years and what percentage of business revenue is derived from public and private audit engagements;

c) describe at least two project successes and failures of financial audit and compliance services engagements. Include how each experience improved the Offeror's services.

2. Organizational References

Offerors should provide a minimum of three (3) references from similar projects performed for private, state or large local government clients within the last three years. **Offerors are required to submit APPENDIX E, Organization Reference Questionnaire, to the business references they list. The business references must submit the Reference Form directly to the designee described in Sec I Paragraph D.** It is the Offeror's responsibility to ensure the completed forms are received on or before February 12, 2016 for inclusion in the evaluation process.

Organizational References that are not received or are not complete, may adversely affect the vendor's score in the evaluation process. The Evaluation Committee may contact any or all business references for validation of information submitted. If this step is taken, the Purchasing Agent and the Evaluation Committee must all be together on a conference call with the submitted reference so that the Purchasing Agent and all members of the Evaluation Committee receive the same information. Additionally, the District reserves the right to consider any and all information available to it (outside of the Business Reference information required herein), in its evaluation of Offeror responsibility per Section II, Paragraph C.18.

Offerors shall submit the following Business Reference information as part of Offer:

a) Client name;
b) Project description;
c) Project dates (starting and ending);
d) Technical environment (i.e., auditee type and size);
e) Staff assigned to reference engagement that will be designated for work per this RFP; and
f) Client project manager name, telephone number, fax number and e-mail address.

3. Oral Presentation

If selected as a finalist, Offerors agree to provide the Evaluation Committee the opportunity to interview proposed staff members identified by the Evaluation Committee, at the option of the District. The Evaluation Committee may request a finalist to provide an oral presentation of the proposal as an opportunity for the Evaluation Committee to ask questions and seek clarifications.

C. BUSINESS SPECIFICATIONS

1. Financial Stability

Offerors must submit copies of the most recent years independently audited financial statements and the most current 10K, as well as financial statements for the preceding three years, if they exist. The submission must include the audit opinion, the balance sheet, and statements of income, retained earnings, cash flows, and the notes to the financial statements. If independently audited financial statements do not exist, Offeror must state the reason and, instead, submit sufficient information (e.g. D & B report) to enable the Evaluation Committee to assess the financial stability of the Offeror.

2. Letter of Transmittal Form

The Offeror's proposal **must** be accompanied by the Letter of Transmittal Form located in APPENDIX D. The form **must** be completed and must be signed by the person authorized to obligate the company.

3. Campaign Contribution Disclosure Form

The Offeror must complete an unaltered Campaign Contribution Disclosure Form and submit a signed copy with the Offeror's proposal. This must be accomplished whether or not an applicable contribution has been made. (See APPENDIX A)

4. Cost

Offerors must complete the Cost Response Form in APPENDIX C.

VI. Fee and Hour Breakdown

Category	**The first year of our 3-year procurement was FY 20___ (or use just these columns for one-year procurement)**		**The second year of our 3-year procurement was FY 20____**		**The third year of our 3-year procurement was FY 20____**	
	Year 1 Hours	Year 1 Cost	Year 2 Hours	Year 2 Cost	Year 3 Hours	Year 3 Cost
Financial Statement Audit						
Financial Statement Preparation						
Federal Single Audit						
Other allowed non-audit services						
Component Units						
Other						
SUBTOTAL		$ 0.00		$ 0.00		$ 0.00
Gross Receipts Tax						
TOTAL	0	$ 0.00	0	$ 0.00	0	$ 0.00

All charges listed on APPENDIX C must be justified and evidence of need documented in the proposal.

V. EVALUATION

A. EVALUATION POINT SUMMARY

The following is a summary of evaluation factors with point values assigned to each. These weighted factors will be used in the evaluation of individual potential Offeror proposals by sub-category.

Factors – *correspond to section IV.B and IV C*	**Points Available**
B. Technical Specifications	
B. 1. Organizational Experience	65%
B. 2. Organizational References	25%
C. Business Specifications	
C.1. Financial Stability	Pass/Fail
C.2. Letter Of Transmittal	Pass/Fail
C.3. Signed Campaign Contribution Disclosure Form	Pass/Fail
C.4. Cost	10%
TOTAL	**100%**

Table 1: Evaluation Point Summary

B. EVALUATION FACTORS

1. B.1 Organizational Experience (See Table 1)

Points will be awarded based on the thoroughness and clarity of the response of the engagements cited and the perceived validity of the response.

2. B.2 Organizational References (See Table 1)

Points will be awarded based upon an evaluation of the responses to a series of questions as per Appendix D. Points will be awarded for each individual response up to 1/3 of the total points for this category. Lack of a response will be awarded zero (0) points.

3. C.1 Financial Stability (See Table 1)

Pass/Fail only. No points assigned.

4. C.2 Letter of Transmittal (See Table 1)

Pass/Fail only. No points assigned.

5. C.3 Campaign Contribution Disclosure Form (See Table 1)

Pass/Fail only. No points assigned.

6. C.5 Cost (See Table 1)

The evaluation of each Offeror's cost proposal will be conducted using the following formula:

$$\frac{\text{Lowest Responsive Offer Bid}}{\text{This Offeror's Bid}} \times \text{Available Award Points}$$

C. EVALUATION PROCESS

1. All Offeror proposals will be reviewed for compliance with the requirements and specifications stated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.

2. The Purchasing Agent may contact the Offeror for clarification of the response as specified in Section II. B.6.

3. The Evaluation Committee may use other sources of to perform the evaluation as specified in Section II. C.18.

4. Responsive proposals will be evaluated on the factors in Section IV, which have been assigned a point value. The responsible Offerors with the highest scores will be selected as finalist Offerors, based upon the proposals submitted. The responsible Offerors whose proposals are most advantageous to the District taking into consideration the evaluation factors in Section IV will be recommended for award (as specified in Section II. B.10). Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

APPENDIX A

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Campaign Contribution Disclosure Form

Pursuant to NMSA 1978, § 13-1-191.1 (2006), any person seeking to enter into a contract with any state agency or local public body for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources must file this form with that state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars ($250) over the two year period.

Furthermore, the state agency or local public body shall void an executed contract or cancel a solicitation or proposed award for a proposed contract if: 1) a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

THIS FORM MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to either statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

"Pendency of the procurement process" means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

"Person" means any corporation, partnership, individual, joint venture, association or any other private legal entity.

"Prospective contractor" means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

"Representative of a prospective contractor" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Name of Applicable Public Official: _____

Date Contribution(s) Made: _____
_____

Amount(s) of Contribution(s) _____
_____

Nature of Contribution(s) _____
_____

Purpose of Contribution(s) _____
_____

(Attach extra pages if necessary)

_____ _____
Signature Date

_____

Title (position)

—OR—

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250) WERE MADE to an applicable public official by me, a family member or representative.

_____ _____

Signature Date

_____

Title (Position)

APPENDIX B

Independent Public Auditor Recommendation Form for Audits

Contract No. _____

STATE OF NEW MEXICO AUDIT CONTRACT (December 1 deadline; no DFA approval) hereinafter referred to as the "Agency," and

_____, hereinafter referred to as the "Contractor," agree:

1. <u>SCOPE OF WORK</u> (Include in Paragraph 26 any expansion of scope)

A. The Contractor shall conduct a financial and compliance audit of the following applicable statements and schedules of the Agency for the period from **July 1, 2015 through June 30, 2016:**

(1) Basic Financial Statements consisting of the government-wide financial statements, fund financial statements, budgetary comparison statements for the general fund and major special revenue funds (GASB 34, footnote 53), and the notes to the financial statements;

(2) Required supplemental information (RSI), if applicable, consisting of budgetary comparison schedules for the general fund and major special revenue fund data presented on a fund, organization, or program structure basis because the budgetary information is not available on the GAAP fund structure basis for those funds (*GASB Statement No. 41, Budgetary Comparison Schedules—Perspective Differences an amendment of GASB Statement No. 34*) must be audited and included in the auditor's opinion (AAG-SLV 14.52);

(3) Supplemental Information (SI) that must be audited and included in the auditor's opinion (AAG-SLV 14.52), if applicable, consisting of:

(a) Component unit fund financial statements and related combining statements (if there are no separately issued financial statements on the component unit per AAG-SLV 3.20);

(b) Combining financial statements;

(c) Individual fund budget comparison statements for remaining funds that have an adopted budget, including proprietary funds, that did not appear as basic financial statement budget comparisons for the general fund, major special revenue funds or as RSI as described above; and

(d) Remaining supplemental information on schedules as required by NMAC Section 2.2.2.10.A(2)(f).

B. The contractor shall apply certain limited procedures to the following required supplemental information (RSI), if applicable, and report deficiencies in or the omission of required information in accordance with the requirements of AU-C 730.05 to 730.09:

(1) The Management Discussion and Analysis (MD&A);

(2) RSI data required by Statements 25, 27, 43 and 45 regarding pension plans and post-employment healthcare plans administered by defined benefit pension plans; and

(3) Schedules derived from asset management systems (GASB 34, paragraphs 132 to 133).

SAMPLE

C. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, OMB Circular A-133, and *Requirements for Contracting and Conducting Governmental Audits* (NMAC Section 2.2.2.1, et seq.).

2. DELIVERY AND REPRODUCTION

A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor no later than **sixty days** after the Financial Control Division of the Department of Finance and Administration (FCD of DFA) provides the State Auditor with notice that the Agency's books and records are ready and available for audit, and in any event no later than **December 1, 2016**, and in accordance with NMAC Section 2.2.2.9:

(1) an organized, bound and paginated hard copy of the Agency's audit report for review;

(2) a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580;

(3) a Summary of Findings Form available at www.osanm.org; and

(4) a copy of the completed State Auditor Report Review Guide available at www.osanm.org;

B. In accordance with FCD requirements, the Agency, with the help of the Contractor, shall identify a schedule of audit deliverables and agreed-to milestones for the audit to ensure that the Agency's books and records are ready and available for audit and the Contractor delivers services on time. The deadline of sixty days shall be based on the schedule of audit deliverables and agreed upon milestones; however, the deadline **shall not extend beyond December 1, 2016**. This requirement does not prevent the Contractor from performing interim audit work prior to receipt of the DFA notice of agency preparedness.

C. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13.C. If the State Auditor does not receive copies of the engagement letter, management representation letter, summary of findings form and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.

D. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency. The State Auditor shall also notify the Agency's oversight agency, but confidential information shall be omitted from that notification.

E. Pursuant to NMAC Section 2.2.2.8.Q, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency. The Contractor shall submit to the State Auditor an electronic copy of the signed and dated engagement letter and a list of client prepared documents with expected delivery dates within ten (10) days of the entrance conference.

F. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days from the date of the

SAMPLE

authorization to print and submit the final audit report, the Contractor shall provide the State Auditor with **TWO** copies of the report and an electronic version of the audit report, in PDF format. After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver __25__ copies of the audit report to the Agency. The Agency or IPA shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

G. The Agency, upon delivery of its audit report, shall submit the required copies of the data collection form, audit report and corrective action plan to the federal clearinghouse designated by the Office of Management and Budget and each federal awarding agency if the schedule of findings and questioned costs disclose audit findings directly related to federal awards.

3. COMPENSATION

A. The total amount payable by the Agency to the Contractor under this Contract, including New Mexico gross receipts tax and expenses, shall not exceed _____.

B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. In accordance with Section 12-6-14(A), NMSA 1978, and NMAC Section 2.2.2.8.N(1), Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.

C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	
(2) Federal single audit	
(3) Financial statement preparation	
(4) Other nonaudit services, such as depreciation schedule updates	
(5) Other (i.e., foundations or other component units, specifically identified)	

Gross Receipts Tax = _____

Total Compensation = _____

D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.

E. Pursuant to Section 12-6-14, NMSA 1978 and NMAC Section 2.2.2.8.N, the State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 69% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is

SAMPLE

completed prior to making the 69% payment. Progress payments from 70% to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. TERM

A. THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE STATE AUDITOR. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the date on which it is signed by the State Auditor.

B. If awarded based on a multi-year proposal, each permitted annual extension of the Contract shall be executed by mutual agreement of the parties and approval of the State Auditor pursuant to NMAC Section 2.2.2.8.G(4).

5. TERMINATION, BREACH AND REMEDIES

A. This Contract may be terminated:
(1) By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
(2) By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
(3) By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
(4) By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to NMAC Section 2.2.2.8.D, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

SAMPLE

D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

6. STATUS OF CONTRACTOR

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. ASSIGNMENT

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8.L, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms pursuant to NMAC Section 2.2.2.8.B, and that are not otherwise restricted by the Office from entering into such a contract pursuant to NMAC Section 2.2.2.8.E.

9. RECORDS

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. RELEASE

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities,

SAMPLE

claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. CONFIDENTIALITY

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

12. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. The Contractor agrees that the FCD of DFA is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However DFA should not provide to any third party, other than the CAFR auditor, the draft audit report or its opinion letters or findings.

13. CONFLICT OF INTEREST

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

14. INDEPENDENCE

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision,* issued by the Comptroller General of the United States, and NMAC Section
2.2.2.8.M. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

15. AMENDMENT

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1199, NMSA 1978.

16. MERGER

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall

SAMPLE

enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.8.Q, consistent with Generally Accepted Auditing Standards (GAGAS). **The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.**

17. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. AGENCY BOOKS AND RECORDS

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. PENALTIES FOR VIOLATION OF LAW

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

21. EQUAL OPPORTUNITY COMPLIANCE

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. WORKING PAPERS

SAMPLE

A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor or the Agency, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

B. If the Contractor wishes to review the working papers of a predecessor, Contractor shall request that the Agency seek delivery of the working papers from a predecessor contractor.

23. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is _____. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. EMPLOYEE PAY EQUITY REPORTING

A. If it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification at any time during the term of this Contract, the Contractor shall complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If the Contractor has (250) or more employees the Contractor shall complete and submit the PE250 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. For contracts that are extended beyond one (1) calendar year, the Contractor shall also complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty (30) days of the annual contract anniversary date of the initial submittal date or, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. If the Contractor does not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor shall provide the required report within ninety (90 days) of meeting or exceeding the size requirement. That submittal date shall serve as the basis for submittals required thereafter. The Contractor shall also impose this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. If one or more subcontractor does not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, the Contractor shall submit the required report for each such subcontractor, within ninety (90 days) of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. The Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. The Contractor acknowledges that this subcontractor requirement

SAMPLE

applies even though Contractor itself may not meet the size requirement for reporting and be required to report itself.

B. If this Contract was procured pursuant to a solicitation, and if Contractor has already submitted the required report accompanying their response to such solicitation, the report does not need to be re-submitted with this Agreement.

26. <u>OTHER PROVISIONS</u>

If no other provisions are listed in this section, the remainder below is intentionally left blank.

SAMPLE

SIGNATURE PAGE

This Contract is made effective as of the date of the signature of the Office of the State Auditor.

AGENCY	**CONTRACTOR**
NAME: _____	NAME: _____
BY: _____	BY: _____
TITLE: _____	TITLE: _____
DATE: _____	DATE: _____

This Contract has been approved by:

OFFICE OF THE STATE AUDITOR

BY: _____ TITLE: DEPUTY STATE AUDITOR

DATE: _____

SAMPLE

State Auditor Contract No. **16 -____**

APPENDIX C

COST RESPONSE FORM

VI. Fee and Hour Breakdown

Category	**The first year of our 3-year procurement was FY 20___ (or use just these columns for one-year procurement)**		**The second year of our 3-year procurement was FY 20____**		**The third year of our 3-year procurement was FY 20____**	
	Year 1 Hours	Year 1 Cost	Year 2 Hours	Year 2 Cost	Year 3 Hours	Year 3 Cost
Financial Statement Audit						
Financial Statement Preparation						
Federal Single Audit						
Other allowed non-audit services						
Component Units						
Other						
SUBTOTAL		$ 0.00		$ 0.00		$ 0.00
Gross Receipts Tax						
TOTAL	0	$ 0.00	0	$ 0.00	0	$ 0.00

APPENDIX D

LETTER OF TRANSMITTAL FORM

APPENDIX D
Letter of Transmittal Form

RFP#:_____
Offeror Name: _____ FED ID# _____
Items #1 to #7 EACH MUST BE COMPLETED IN FULL Failure to respond to all seven items WILL RESULT IN THE DISQUALIFICATION OF THE PROPOSAL!

1. **Identity (Name) and Mailing Address** of the submitting organization:
_____
_____
_____

2. For the person authorized by the organization to contractually obligate on behalf of this Offer:
Name _____
Title _____
E-Mail Address _____
Telephone Number _____

3. For the person authorized by the organization to negotiate on behalf of this Offer:
Name _____
Title _____
E-Mail Address _____
Telephone Number _____

4. For the person authorized by the organization to clarify/respond to queries regarding this Offer:
Name _____
Title _____
E-Mail Address _____
Telephone Number _____

5. Use of Sub-Contractors (Select one)
____ No sub-contractors will be used in the performance of any resultant contract OR
____ The following sub-contractors will be used in the performance of any resultant contract:
_____
(Attach extra sheets, as needed)

6. Please describe any relationship with any entity (other than Subcontractors listed in (5) above) which will be used in the performance of any resultant contract.
_____
(Attach extra sheets, as needed)

7. ___ On behalf of the submitting organization named in item #1, above, I accept the Conditions Governing the Procurement as required in Section II. C.1.
___ I concur that submission of our proposal constitutes acceptance of the Evaluation Factors contained in Section V of this RFP.
___ I acknowledge receipt of any and all amendments to this RFP.

_____ _____, 2016
Authorized Signature and Date (Must be signed by the person identified in item #2, above.)

APPENDIX E

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

NCRTD, as a part of the RFP process, requires Offerors to submit a minimum of three (3) business references as required within this document. The purpose of these references is to document Offeror's experience relevant to the scope of work in an effort to establish Offeror's responsibility.

Offeror is required to send the following reference form to each business reference listed. The business reference, in turn, is requested to submit the Reference Form directly to:

North Central Regional Transit District
c/o Purchasing Agent
1327 N. Riverside Drive
Española, NM 87532

by February 12, 2016 for inclusion in the evaluation process. The form and information provided will become a part of the submitted proposal. Business references provided may be contacted for validation of content provided therein.

RFP # 2016-002
ORGANIZATIONAL REFERENCE QUESTIONNAIRE
FOR:

_____
(Name of Offeror)

This form is being submitted to your company for completion as a business reference for the company listed above. This form is to be returned to North Central Regional Transit District, c/o Purchasing Agent via facsimile or e-mail at:

Name: Troy Bingham, Purchasing Agent
Address: 1327 N. Riverside Drive
Española, NM 87532

Telephone: (505)629-4701
Fax: (505)747-6647
Email: troyb@ncrtd.org

no later than February 12, 2016 at 3:00pm, and **must not** be returned to the company requesting the reference.

For questions or concerns regarding this form, please contact the Purchasing Agent listed above. When contacting us, please be sure to include the Request for Proposal number listed at the top of this page.

Company providing reference:	
Contact name and title/position	
Contact telephone number	
Contact e-mail address	
Project description;	
Project dates (starting and ending);	
Technical environment for the project your providing a reference (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware);	

QUESTIONS:

1. In what capacity have you worked with this vendor in the past?
   COMMENTS:

2. How would you rate this firm's knowledge and expertise?
   ____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
   COMMENTS:

3. How would you rate the vendor's flexibility relative to changes in the project scope and timelines?
   ____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
   COMMENTS:

4. What is your level of satisfaction with hard-copy materials produced by the vendor?
   _____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
   COMMENTS:

5. How would you rate the dynamics/interaction between the vendor and your staff?
   _____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
   COMMENTS:

6. Who were the vendor's principal representatives involved in your project and how would you rate them individually? Would you comment on the skills, knowledge, behaviors or other factors on which you based the rating?
(3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

Name: _____ Rating:

COMMENTS:

7. How satisfied are you with the products developed by the vendor?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

8. With which aspect(s) of this vendor's services are you most satisfied?
COMMENTS:

9. With which aspect(s) of this vendor's services are you least satisfied?
COMMENTS:

10. Would you recommend this vendor's services to your organization again?
COMMENTS: